Canada needs to think nationally and strategically for our transportation sector to emerge from the COVID era able to compete and contribute.

Executive Summary:

COVID-19 has created an unprecented crisis in Canada's travel and tourism industry of which aviation forms a key part. Canada needs to think nationally and strategically for our transportation sector to emerge from the COVID era able to compete and once again contribute economically. Any recovery strategy must focus on three key areas; a sustainable approach to border controls, improved terms of financial support for companies in the sector, and continued government support programs for furloughed employees until sector recovery is assured.

Introduction:

Canada's airline industry is an essential national strategic resource that contributes to our economy and social fabric. It employs some 141,000 Canadians and contributes about $35 billion to our country's GDP. Airlines also move imports and exports worth more than $110 billion, making them essential players in our trade-dependent economy. COVID-19 has had a profound impact on this industry, with no clear end in sight.

To illustrate the urgent need for action, most of Canada's air carriers rely heavily on international traffic to generate revenue. During the winter season, for example, holiday service to Cuba and the CARICOM nations is a critical component of remaining solvent for Canada's leading carriers. Within our country's boundaries, regional policy differences from various public health authorities have become obstacles and have affected Canadians' willingness to fly.

Canada's airline industry is relied upon by citizens across our socio-economic spectrum, businesses from coast to coast to coast, cultural communities, municipalities, and all levels of government. Canada is a nation built on immigration and global trade and as a result the industry also contributes significantly to Canada's international standing. It is critical that Government support for the industry and the industry itself must evolve to meet the challenges posed by the global COVID-19 pandemic and the economic recovery era that will follow.

Recent statements by Dr. Theresa Tam – Chief Public Health Officer for Canada indicate that there will continue to be outbreaks of COVID-19 both domestically and globally for at least the next two years. Therefore, an updated strategy is needed to accommodate the 'slow burn' reality that COVID-19 will be an issue for some time; a strategy that offers sustainable border measures and facilitates a rapid recovery for the airlines and the Canadian economy.

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Over the last several months, the airline industry and its employee groups have been working alongside Transport Canada to establish policy that will keep Canadians safe while traveling onboard aircraft. This has culminated in the recent launch of Transport Canada's *Flight Plan for Navigating COVID-19* - a science-based, layered approach to public health measures that will also allow the aviation industry to operate in a sustainable fashion.

The science-based approach of the government must continue to reflect the latest information and international best practices when it comes to its policy on quarantine. The government's current policy on the 14-day quarantine is a policy that is in most need of improvement. In its current form, the policy is extremely damaging to the industry's ability to recover and does not prevent cases of COVID-19 from entering Canada. Canadians are reluctant to travel if they must self-quarantine for 14 days on their return to Canada or when entering certain regions of Canada. Border measures should also be calibrated to reflect the 'slow-burn' reality and offer a safe, sustainable and science-based approach to restrictions like those in the Transport Canada strategy. Additional support for the industry and its employees is also needed for support during the policy transition period.

Proposal for Immediate Action:

Canada's aviation workers propose the following plan to **increase the level of protection offered by the current border measures** while also permitting a safe return to sustainable levels of international and inter-provincial travel for Canadians and to **support the aviation industry and its employees through the transition period**:

1. Improvements to current border quarantine policies that reflects international best practices and the latest advice from the World Health Organization (WHO).

   ➢ Classification of countries/regions using science-based, internationally accepted risk standards.

   ➢ Rapid testing on return to Canada for all travellers plus an additional testing after a certain number of days for travellers from high risk countries. The quarantine period would depend on where the traveller came from and the results of the tests.

   ➢ Improved contact tracing to leverage the Government of Canada's contact tracing app and up-to-date passenger contact information collected by the carriers.

2. Improvements to the Large Employer Emergency Financing (LEEF) program to support the aviation industry through the border policy transition period and ensure the industry is on competitive footing with international peers during the economic recovery period.

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3. Continued support for aviation employees who have been furloughed due to COVID-19 during the policy transition period and well into the economic recovery period of the aviation industry.

Canada's Borders: Three Layers of Protection:

Our recommended revised approach takes inspiration from international best practices, specifically those being put in place by Germany[1] and Iceland[2]. It also takes inspiration from **the latest advice from the World Health Organization (WHO)** to reinforce evidence-informed measures to *"avoid unnecessary interference with international travel"* and to recommend that State parties implement *"appropriate and proportionate travel measures and advice, based on risk assessments; implement necessary capacities, including at points of entry, to mitigate the potential risks of international transmission of COVID-19 and to facilitate international contact tracing."*

1. *Classification of Countries/Regions:*

   ➢ Creation of a classification system that is easily understood by Canadians and uses the current situation in Canada as a benchmark. Countries will be assessed periodically and categorized as follows:

     ▪ **COVID Watch**: Countries or geographically distinct regions of countries considered either comparable to Canada or a lower risk.

     ▪ **COVID Warning:** Countries or geographically distinct regions of countries that are considered a higher risk than Canada.

2. *Rapid Testing* on *Arrival* in *Canada* and *Dynamic Quarantines:*

   ➢ Selection and accelerated approval by Health Canada of a COVID-19 rapid testing device (90 minutes or less)[3] by the Government of Canada for deployment at all Canadian airports through the Canadian Border Service Agency (CBSA) entry process using clinical screening officers OR deployment of testing by the airlines for passengers en-route to Canada.

   ➢ The introduction of an Airport Improvement Fee-style surcharge on all tickets to cover the cost of testing on arrival, if desired, of all passengers travelling internationally. This surcharge would be collected by the airlines on behalf of Canadian and provincial governments OR self-administered by the airlines.

   ➢ Arriving passengers from **COVID Watch** Countries/Regions:
     ▪ Rapid COVID-19 test administered on arrival as part of the CBSA customs entry process by clinical screening officers OR by the airline.

- Arriving passenger **must quarantine until the tests are processed and the results delivered**.

- Passengers with a positive test result must continue to quarantine for 14 days. Passengers with a negative test result may halt their quarantine.
- Passengers must attest they will download the Government of Canada's COVID Alert smartphone app and use it for a period of 14 days.

➢ Arriving passengers from **COVID Warning** Countries/Regions:
- Rapid COVID-19 testing administered on arrival as part of the CBSA customs entry process by clinical screening officers OR by the airline.
- Arriving passengers must **quarantine until a second test is administered**, regardless of the results from the first test. Best practices suggest that a second test should be administered at a minimum of the fifth day following entry.[4]
- Arriving passengers may stop their quarantine upon receiving a second negative test result. Alternatively, passengers may continue to quarantine for the full 14 days.
- Passengers must attest they will download the Government of Canada's COVID Alert smartphone app and use it for a period of 14 days.

3. *Improved Contact Tracing*

➢ Early detection of COVID-19 cases at the border on the date of travel offers an improvement to the status quo and will facilitate contact tracing. The requirement for arriving passengers to use the COVID Alert smartphone app will further assist in contact tracing.

➢ The shift by the aviation industry to electronic boarding passes increases the amount of up-to-date passenger contact information that will improve an airline's ability to rapidly share information with provincial health authorities if an active case of COVID-19 has been detected onboard a flight.

Adopting the proposed measures is:

✓ *Science-Based* – Destinations would be classified based on the current COVID-19 landscape here in Canada serving as the benchmark. Quarantine periods would be driven by science.

✓ *Safe* – Rapid testing of travellers on their return to Canada will offer the earliest possible detection of COVID-19 cases linked to travel and improve the ability to contact-trace using passenger data collected by airlines and the Government of Canada's contact tracing app. Countries with high levels of COVID-19 would continue to be subject to greater restrictions than countries with lower levels.

✓ *Sustainable* – The "one-size-fits-all" approach was helpful at the outset of the pandemic, but no longer aligns with international best practices. It is also unsustainable for the airline industry as Canada moves from flattening the curve to what public health authorities acknowledge will be a "slow burn" of COVID-19 outbreaks over the next several years. The elimination of the mandatory 14-day quarantine for travellers arriving from low risk countries will allow airlines to resume service to many international destinations and for Canada to reconnect with the international community. By implementing these measures, the Canadian aviation industry will be able to operate sustainably while Canada's ability to safely manage the pandemic will improve.

Changing the current travel restrictions and providing financial support would:

✓ improve on the status quo border policy by using rapid testing for COVID-19 on arrival, reducing the odds of further unintentional transmission during quarantine and improving the ability of health authorities to timely conduct contact tracing.
✓ encourage Canadians to travel internationally and foreigners to visit.
✓ use a dynamic, science-based approach to ensure the border measures match the risk profile of the countries from which the travelers are arriving.
✓ address the messaging from Health Canada that COVID-19 will continue to be a 'slow burn' in Canada for the next several years.
✓ serve as a template for the eventual re-opening of the land border between Canada and the United States.
✓ allow for a successful restart of the travel and tourism industry, allowing Canada's leading airlines to once again contribute economically to the country.
✓ avoid the loss of tens of thousands of high-quality tax-paying jobs in the travel and tourism industry.
✓ reward the efforts of Canadians to flatten the curve by allowing travel to countries that are willing to open their borders to us due to our low case rates.
✓ boost GDP and the Canadian economy.
✓ demonstrate a transparent and predictable border strategy to the international community.
✓ contribute to Canada's airline industry efforts to remain healthy and internationally competitive in the years to come.
✓ ensure a competitive airline industry remains intact and active beyond the pandemic and is positioned to cope with future issues.
✓ support aviation employees through the policy transition period with borders and well into the industry's economic recovery.

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Immediate Support For the Industry and its Employees:

Even if our proposed border measures are adopted, a transition period will be required and some restrictions may remain until COVID-19 is adequately brought under control. During that time, the industry will need financial support to remain viable, serving its vital role and being prepared for the future. While other nations have realized the need to maintain the airline industry for the eventual recovery by providing sector-specific financial support, Canada has yet to do so. The current financial aid available to all employers is proving to be inadequate to sustain this industry and consequently Canada's airlines are facing massive layoffs and even failure as the crisis continues.

An improvement to the Government of Canada's Large Employer Emergency Financing (LEEF) program will be critical to the survival of Canada's aviation industry. With revised national and provincial border restrictions in place, a large amount of cash outflow will be required in order to allow the industry to restart in a safe manner and the period of time for the industry to recover to pre-covid levels will be several years at a minimum. Changing the parameters of the LEEF program so that the industry can have access to ten year loans at a maximum of 1% interest will be an improvement that will help Canada's airlines remain viable against international competitors that have received billions of dollars in support.

Financial support for the industry must also be based on the industry's social responsibility toward its workers, striving for adequate employment protection and healthy employment conditions. These commitments must be concrete, binding, and enforceable, with support withdrawal and sanctions, as necessary. Government support for aviation employees will also be critical as current programs such as the Canada Emergency Wage Subsidy (CEWS) and the Canada Emergency Response Benefit (CERB) are due to be wound down well before the recovery period for aviation will be underway.

Immediate actions that can be taken by the Government of Canada to support employees in the aviation industry should include, but must not be limited to; ensuring CEWS for furloughed workers remains at the current amount, ensuring the continuation of CEWS and CERB well into the sector's economic recovery and taking over the financial cost of workplace benefits to remove the burden from employers and employees who currently must cover it.

Beyond COVID-19 - A Roadmap for the Future:

During times like these, we are reminded of the importance of a well-functioning airline industry as a critical part of national readiness and the backbone of national and global infrastructure. Now is the time to rethink, reimagine, and reset our industry on a path that will benefit society. Canada is not operating in a vacuum and we have tremendous resources through organizations such as ICAO and The Collaborative Arrangement for the prevention of Public Health events in Civil Aviation (CAPSCA) to look to for best recommended practices and protocols to stabilize and create a more resilient industry.

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CAPSCA, working within ICAO, includes a wide and influential stakeholder group that makes specific health/pandemic related recommendations to ICAO and specifically provided significant information and guidance for the ICAO Council Aviation Recovery Task Force (CART) report. Canada has a responsibility to engage with our international partners by first and foremost leading by example but also by insisting that other States do the same. The roadmap doesn't work unless everyone is using the same map.

For the airline industry to survive and continue to support Canadians and our national economy as it has in the past and going forward, we must think strategically and reshape the industry to become financially, environmentally, and socially sustainable. This can best be accomplished through a collaborative body facilitated by the federal government and consisting of industry, labour and Canadian communities to develop a national aviation strategy for maximum strength and stability within the aviation industry.

Financial Sustainability:

Since deregulation, airline competition has brought many benefits such as reduced airfares, increased connectivity, and access to travel for more of the world's population. However, when competition hinges on shopping for weak regulations, regulators with no or low oversight, no tax responsibilities, and an assault on labour both the industry and society lose. A healthy, stable airline industry is a need-to-have, not a nice-to-have. The responsibility falls to governments to reign in destructive industry practices and to work with the industry to build a system that creates prosperity within its markets.

Environmental Sustainability:

Government needs to provide the airline industry with incentives to reduce the environmental impacts of aviation such as:
  ➢ Airlines have voluntarily adopted numerous programs to reduce their environmental impacts including tree-planting programs, new electric-powered tugs to reduce fuel consumption by aircraft and ground vehicles while taxiing, aircraft operating procedures which reduce fuel consumption, and many more. According to the International Air Transport Association (IATA), the industry has achieved a 50% reduction in carbon emissions per passenger since 1990 and fuel efficiency has increased 2.3% each year since 2009.
  ➢ Alternative fuels have a significant advantage as they can reduce CO_2 emissions and do not require many adjustments in the supply chain and operation. We support the initiatives nationally and globally to certify new conversion processes and feedstocks. It is recognized that huge investments are needed to increase the volume from 0.2%, currently used in international aviation. In 2016, the International Civil Aviation Organization (ICAO) created a global market-based measures (GMBM) scheme in the form of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) which will help achieve carbon-neutral growth from 2020. We support CORSIA as a means of standardizing and centralizing market-based measures in lieu of each ICAO

State developing their own market-based measures in a patchwork fashion across the world. Is there more work to be done to reduce aircraft emissions? Of course. The aviation industry acknowledges this and is working with governments and other stakeholders to map out future strategies and alternative solutions for further reduction of GHG emissions. The solutions include measures to increase the average aircraft fuel efficiency each year by 1.5%, cap net aviation CO_2 emissions starting this year, and reduce net aviation emissions by 50% by 2050, as compared to 2005 levels. Within ICAO, even more stringent global goals are being formulated.

Social Sustainability:

"Social Sustainability is about identifying and managing business impacts, both positive and negative, on people." – UN Global Compact

Over the last number of decades, governments around the world have allowed the airline market to find its own balance through deregulation which has meant a focus on growth, low fares, and increased connectivity. As a result, over this period there have been hundreds of airline bankruptcies. Prior to this crisis, most airlines were not making enough money to cover the cost of capital. This cycle of boom and bust has been entrenched and is to the detriment of all stakeholders.

The industry's post-COVID-19 recovery must differ from past recoveries which have increased deregulation, created precarious work situations and have ultimately created further social costs including lost jobs, reduced social protections, further income disparity, decreased economic and national security, and rising political unrest. These costs affect those in the industry as well as their families, communities and society at large. Furthermore, liberalization in aviation has created a skewed system in which many airlines are no longer obligated to take financial or social responsibility for the markets to which they enjoy access. We believe that aviation should be an engine for social and economic improvement and not a scheme to extract value at the expense of society. The airline industry should be a socially sustainable industry that will create valuable employment rather than one that degrades and destroys it.

The response to this crisis cannot be to increase precarious employment. Without social sustainability, there will be no economic sustainability and healthy competition needs a rulebook and referees. A safe and sustainable aviation industry requires a firm link of liability and responsibility between finance, the environment, labour, and society; and governments, owners, and management accountable for maintaining that link. The global community doesn't need more dirt-cheap airplane tickets. It doesn't need airlines creating and demanding unreasonable competition. It needs a sustainable, economical transportation system built according to the fair and equitable treatment of the people who keep it running. Workers' rights are human rights and the aviation industry will not properly recover without solid interventions acknowledging this reality. Consider now how we can either influence this recovery; or become victims of it.

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We urge all aviation stakeholders to take an active role in developing a new, socially sustainable aviation industry based upon a principle of creating prosperity within, not just from, the markets it has the privilege of serving. Herb Kelleher, former CEO of Southwest Airlines said that his airline's success was based on putting employees first, customers second, and shareholders third, that way everything takes care of itself. We believe this is a good approach toward a socially sustainable aviation industry as well.

SUNWING AIRLINES
1,500 Unionized Employees

This plan has been endorsed and is fully supported by Unifor Local 7378 President Barret Armann, Cupe Local 4055 President Rena Kisfalvi, IAMAW District 140 Shop Steward Domingo Ventura, CALDA on behalf of the unionized employees of Sunwing Airlines. Working together for a safe, sustainable, science based border solution for our industry and our country.

_____   _____
Barret Armann, President Unifor Local 7378   Rena Kisfalvi, President CUPE Local 4055

_____
Sanaz Nowroozi, Local Council Chairman CALDA

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Statement on the Fourth Meeting of the International Health Regulations (2005) Emergency Committee Regarding the Outbreak of COVID-19 – August 1, 2020
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https://airlinecouncil.ca/wp-content/uploads/2020/08/Letter-to-Minister-Freeland-August-20-2020-EN.pdf

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https://www.icao.int/covid/cart/Pages/default.aspx

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ALPA International

http://www.alpa.org/-/media/ALPA/Files/pdfs/news-events/white-papers/aviation-environment.pdf?la=en

APPENDIX:

1. The German Approach:

Information on the Designation of International Risk Areas – August 21, 2020

- "Persons entering the Federal Republic of Germany, who have spent time in a risk area at any specific period within 14 days prior to entry are subject to a mandatory COVID-19 test." (Persons entering the Federal Republic of Germany from an area with fewer than 50 new infections per 100,000 inhabitants are not subject to any entry restrictions).

- "Classification as a risk area is the result of a joint analysis and decision-making process by the Federal Ministry of Health, the Federal Foreign Office and the Federal Ministry of the Interior, Building and Community. This classification as a risk area is based on a two-step assessment. Initially, it is determined in which countries/regions there were more than 50 new infections per 100,000 inhabitants in the last seven days. In a second step, qualitative criteria are used to determine whether or not countries/regions that might nominally fall below this threshold could nonetheless still present an increased risk of infection."

https://www.rki.de/DE/Content/InfAZ/N/Neuartiges_Coronavirus/Transport/Archiv_Risikogebiete/Risikogebiete_21082020_19Uhr_en.pdf?__blob=publicationFile

2. The Icelandic Approach:

Instructions for Quarantine for Visitors in Iceland – August 20, 2020

- "As of August 19, 2020, all travellers from risk areas (defined as all countries and territories of the world) to Iceland that enter the country are again obligated to go into quarantine, regardless of duration of the intended stay in Iceland"

- "Full quaratine duration is 14 days."

- "Quarantine related to travel from risk area can be shortened by undergoing PCR testing for diagnosis of COVID-19 on arrival and again on day 5 of quarantine. A positive test leading to a diagnosis of active COVID-19 infection will lead to isolation of the affected party and quarantine of contacts."

https://www.landlaeknir.is/servlet/file/store93/item42645/Instructions%20for%20travellers%20in%20quarantine%2015.08.2020.pdf

3. Availability of Rapid Testing in Canada:

Precision Biomonitoring, Guelph, Ontario. - Rapid COVID-19 testing

Healgen Scientific / Zhejiang Orient Gene Biotech CO. LTD Zhejiang, China. - Antibody Rapid detection

4. Basis of a Four Day Quarantine from COVID-Warning Countries/Regions:

Johns Hopkins Medical – COVID-19 Test That Relies on Viral Genetic Material Gives False Negative Results if Used Too Early in Those Infected – June 10, 2020

- "The researchers estimated that those tested with SARS-CoV-2 in the four days after infection were 67% more likely to test negative, even if they had the virus."

https://www.hopkinsmedicine.org/news/newsroom/news-releases/covid-19-test-that-relies-on-viral-genetic-material-gives-false-negative-results-if-used-too-early-in-those-infected